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PSC APPROVES EIGHT EXPANDED LOCAL PHONE CALLING REGIONS

Pending issuance of a final order, the state Public Service Commission tentatively decided today to expand the local calling areas of eight regions of the state served by US West Communications, which will make long-distance charges between communities in those regions a thing of the past.

Monthly phone bills for flat-rate local phone service in those regions will increase by \$2.55 in order to allow US West to recover its lost long-distance revenue and its costs to implement extended area service. But measured-service options to enable customers to keep their phone bills close to current or even less-than-current rates will be available.

During the debate, supporting commissioners argued that the new EAS regions will bring calling areas into line with modern technology and community of interest. Making internet access available in rural areas at affordable costs was also cited by commissioners in voting to approve EAS.

The commission recognized that many urban residents opposed the EAS proposal because it would result in higher rates for them even though they might not make calls to the outlying communities. But the commission decided that an agreement proposed by US West and the Montana Consumer Counsel, and approved today by the PSC, will provide a less expensive alternative than present rates for those who choose to use measured service and make fewer than 19 minutes worth of local calls a day.

Under the terms of that agreement, US West will offer residential customers the alternative of lower-cost measured service options rather than flat-rate service, which will cost \$16.39 per month when EAS takes effect. One measured service option offers a basic rate of \$8.14 per month plus one cent per minute for all outgoing calls within the EAS region. The other measured-rate option will provide a 180-minute block of usage each month for the monthly rate of \$9.64. Outgoing local calls above the 180-minute block would be billed at one cent per minute.

The new EAS regions are:

Billings - including the existing Billings calling area, plus Bridger, Columbus, Fromberg, Hardin, Joliet, Laurel, Park City and Red Lodge.

Bozeman - including the existing Bozeman calling area, plus Livingston, Clyde Park and Wilsall.

Butte - including the existing Butte calling area, plus Anaconda, Warm

Springs, Deer
Lodge and Whitehall.

Great Falls - including the existing Great Falls calling area, plus
Cascade and Dutton.

Helena - including the existing Helena calling area, plus Boulder,
Townsend and Wolf
Creek.

Missoula - including the existing Missoula calling area, plus Darby,
Hamilton, Stevensville
and Victor.

Yellowstone - including Gardiner, West Yellowstone, Lake and Old
Faithful.

West Glacier - West Glacier, served by US West, will be added to PTI
Communications'
Flathead Valley calling area. PTI's customers will pay an additional 14 cents
per month when
West Glacier is added to their calling area.

US West estimates EAS will be up and running in the eight regions by the
end of April. In
the meantime, the PSC expects the company to educate customers about EAS and
the measured-service options that will be available for those who want to
reduce the monthly cost.

"By approving EAS with a measured-rate option, the commission was able to
match the
needs of many rural communities for a larger calling area with the
capabilities of today's digital
phone technology, while preserving a less costly calling alternative,"
according to PSC Chairman
Dave Fisher.

Today's decision culminates more than two years of PSC consideration of
extended area
service issues, including adopting new EAS rules to make it easier for
communities to qualify for
EAS and conducting 21 hearings throughout the state to obtain public comment.
The vote was
4-1, with Commissioner Bob Anderson (D-Helena) voting no. The commission will
take final
action when it votes whether to approve the final order in the next couple of
weeks.

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